

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

August 2, 2016

Certified Return Receipt 7015 0640 0001 4528 8250

Bruce Anderson Northshore Limited Partnership 2720 Wadman Dr Ogden, Utah 84401

Subject: Letter From Wells Fargo Bank, Northshore Limited Partnership, Northshore Natural

Processing, M/003/0037, Box Elder County, Utah

Dear Mr. Anderson:

The Division of Oil, Gas and Mining recently received the enclosed letter from Wells Fargo Bank, regarding the certificate of deposit (CD) which was posted as reclamation surety for the Northshore Natural Processing mine. You indicated in a telephone conversation that you would be willing to sign the form provided and return it to Wells Fargo.

Please complete the form and return it to Wells Fargo by the deadline indicated on the letter, August 16, 2016. Failure to do so could mean the loss of the funds in this account. If this happens, the Division would no longer have a reclamation surety and would be forced to issue a cessation order and require immediate reclamation of the mine, obviously a situation to be avoided.

In addition to having you sign and return the letter to Wells Fargo, the Division would like to update or obtain other documents associated with the reclamation surety. Please find enclosed the following blank documents:

- 1. A new reclamation contract.
- 2. A CD agreement letter.

The new reclamation contract form ties the Notice of Intention to Commence Large Mining Operations (Notice) to the reclamation surety. The old form which the Division has on file includes a map of the disturbed area, but the newer form simply references maps in the Notice. This allows the Notice to be changed without having to change the reclamation contract.



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The CD agreement letter is a contract between the Division, Wells Fargo, and Northshore stating that the bank will not release the funds without authorization from the Division and allowing the Division to access the funds if necessary to perform reclamation. Please note that Northshore retains ownership of the CD.

Please complete these forms and return them to the Division for final signatures. Please contact the minerals program bond coordinator, Penny Berry, at 801-538-5291 or by e mail at pennyberry@utah,gov if you or your bank needs further information.

Thank you for your cooperation. Please contact Lynn Kunzler at 801-538-5310 or me at 801-538-5261 if you have additional questions.

Sincerely,

Paul Baker

Minerals Program Manager

PBB:lk:pb

Enclosures: Letter and form from Wells Fargo Bank
Reclamation contract and CD agreement letter
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